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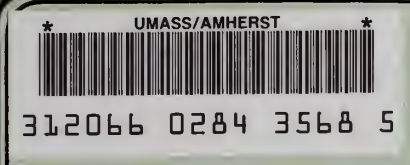

Downtown BEVERLY Market Analysis

April, 1984

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ABOUT THIS REPORT

The Downtown Beverly Market Analysis was prepared by the staff of the Metropolitan Area Planning Council under the supervision of the Executive Director. The Metropolitan Area Planning Council is the officially designated regional planning agency for 101 cities and towns in the metropolitan Boston area. The Council assists its member communities in land use planning, environmental quality, housing, and economic development.

The preparation of this report was financially assisted by the cities and towns of the MAPC region and by a grant from the U.S. Department of Commerce, Economic Development Administration.

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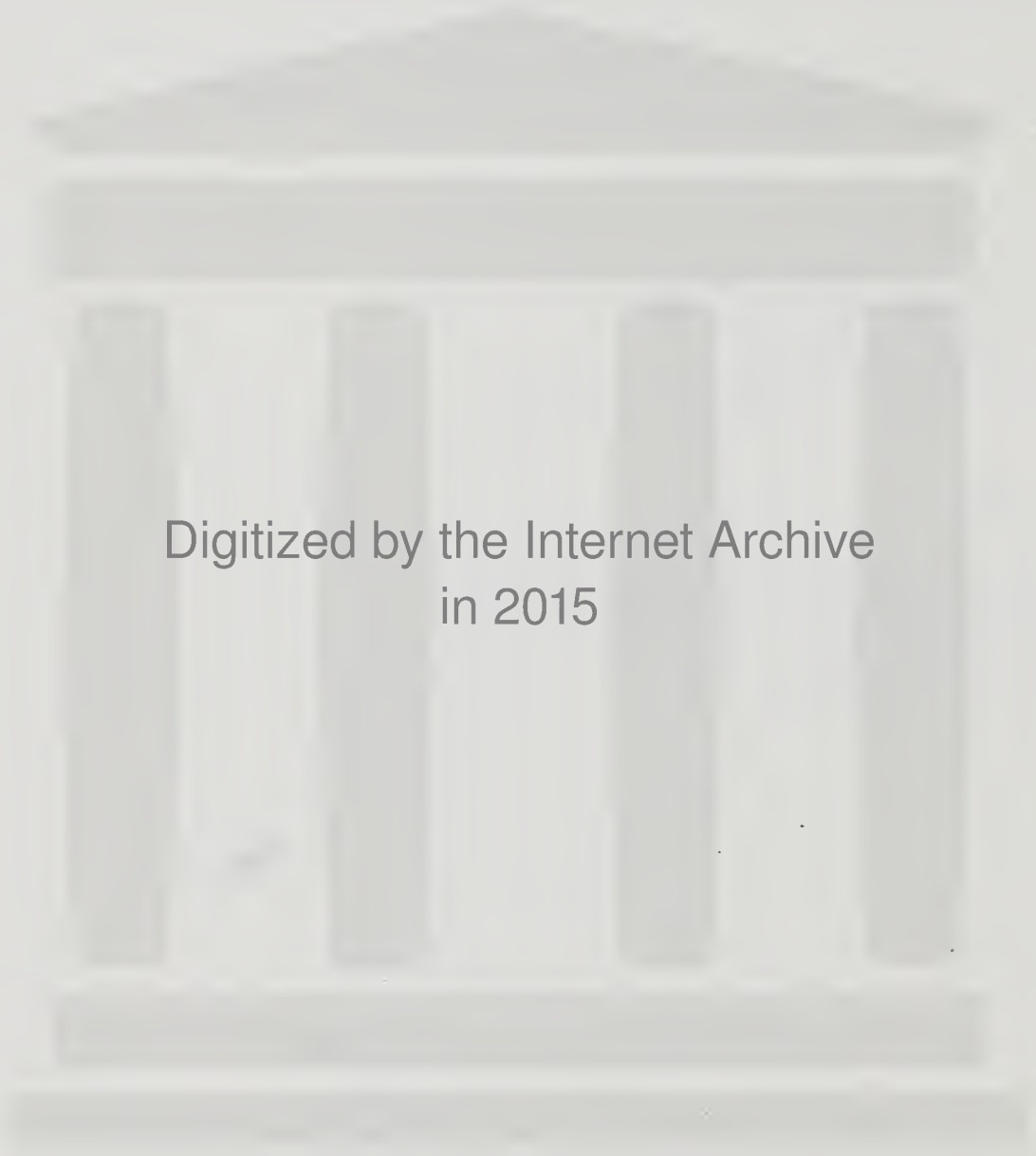
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INTRODUCTION

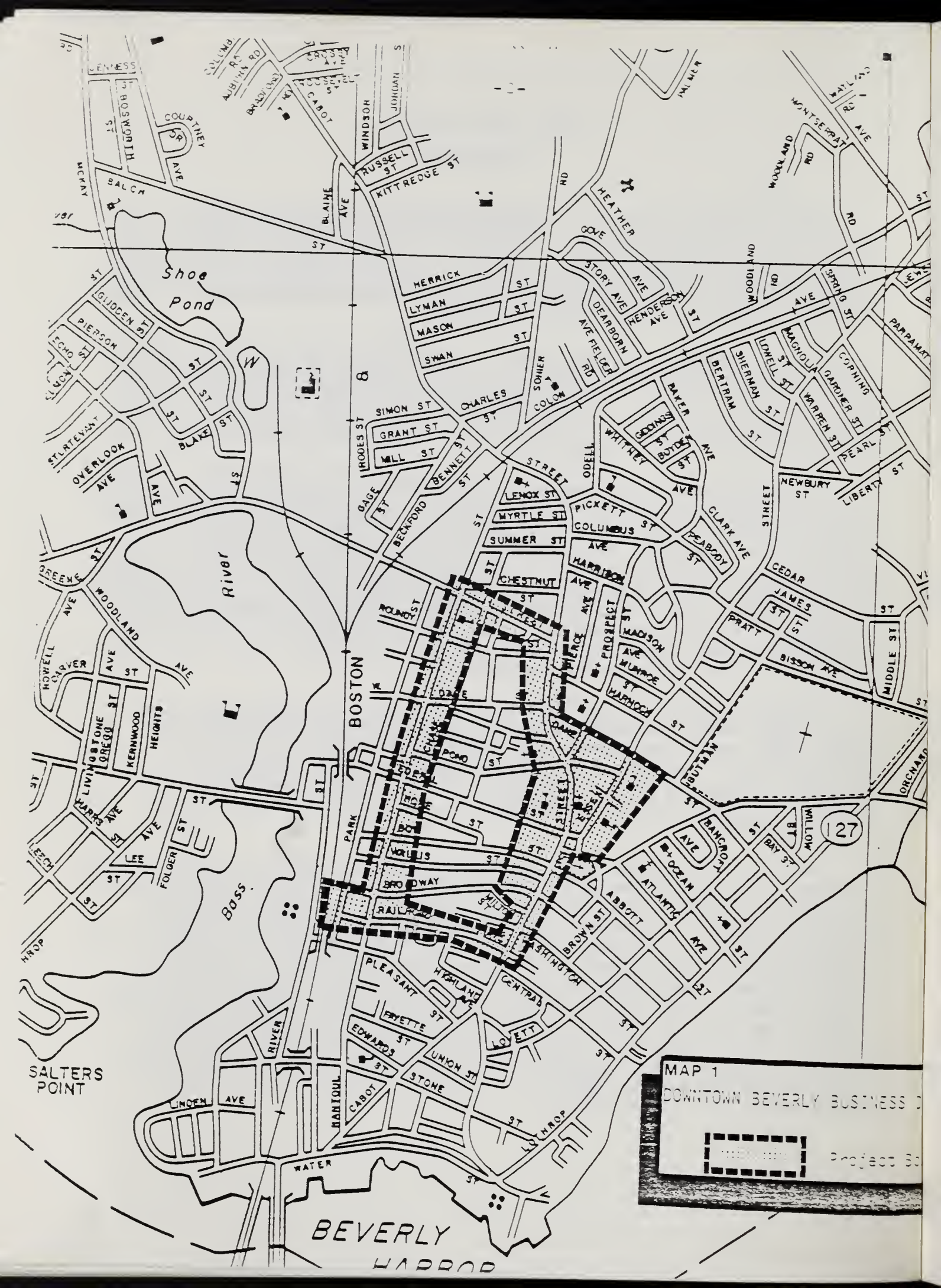
Downtown Beverly contains a mixture of medium to high density commercial, industrial and residential uses. The central business district centering on Cabot Street has been economically stagnant in recent years and has felt the economic impact of nearby shopping centers. Its close proximity to specialty shopping in Salem and newer shopping malls in Danvers and Peabody have hindered the City's efforts to revitalize the downtown.

For this analysis, "downtown Beverly" is defined as both sides of Cabot and Rantoul Streets from Railroad Avenue to Elliott Street, Railroad Avenue from Cabot Street to Park Street including Beverly Depot,and Elliott Street from Cabot to Rantoul Streets. Also included are all adjacent sections of streets zoned Central Commercial that intersect these portions of Cabot and Rantoul Streets. This area is outlined on Map 1.

The development of the downtown occurred for the most part during the early 1800's near the existing City Hall and Beverly Common. Although commercial and industrial uses were limited and single family residences predominated, the latter part of the 1800's saw a marked increase in commercial activity in the downtown area. After the turn of the century, however, Beverly continued to grow residentially while the downtown stagnated commercially. The construction of Route 128 and the increasing mobility afforded by automobiles subsequently contributed to the strip commercial developments along Route 1A. This has resulted in a long linear pattern of commercial development to the north which has and continues to plague the downtown today.

The major problems of the downtown continue to be those outlined in a report prepared for the Beverly Planning Board by Adams, Howard and Greeley in March, 1960; namely excessively long distances and difficult parking and accessibility. The downtown has no identifiable central focus and is physically fragmented by the residential district between Cabot and Rantoul Streets. This has inconvenienced shoppers and aggravated the parking and traffic problems.

The City has committed itself to addressing these and other problems in the downtown. A 1979 Downtown Revitalization Plan has set forth an action program to improve circulation, parking, visual appearance, marketing, housing and public buildings. The Rantoul Street Area Study (The Harrington Company, November 1982) has furthered this attempt by focusing on Rantoul Street and its interaction with the downtown as a whole. The present study is aimed at examining the current economic status of downtown Beverly to characterize its future economic potential; in short, how to improve the downtown to meet the needs of the City in light of increased competition from outlying shopping centers. It is designed to provide an accurate evaluation of the current economic status of downtown Beverly and an assessment of the specific retail types and related market conditions which offer the downtown the greatest opportunities for future growth.


Shoe Pond
River
BOSTON
BEVERLY HARBOR
SALTERS POINT
Bass
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RAILROAD
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WINTHROP ST
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HIGHLAND
COURTNEY AVE
FENWICK
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BALCH
ST LAWRENCE
OVERLOOK AVE
GUDDEN ST
PIERSON
ECHO ST
BLAKE ST
MAP 1
DOWNTOWN BEVERLY BUSINESS D
Project Bo

BEVERLY TRADE AREA

In general, a trade area is the region from which businesses in a commercial area can expect to draw 80 to 85 percent of their customers. An assessment of this area, therefore, is essential to any understanding of economic conditions in, and potential of, a commercial area such as downtown Beverly.

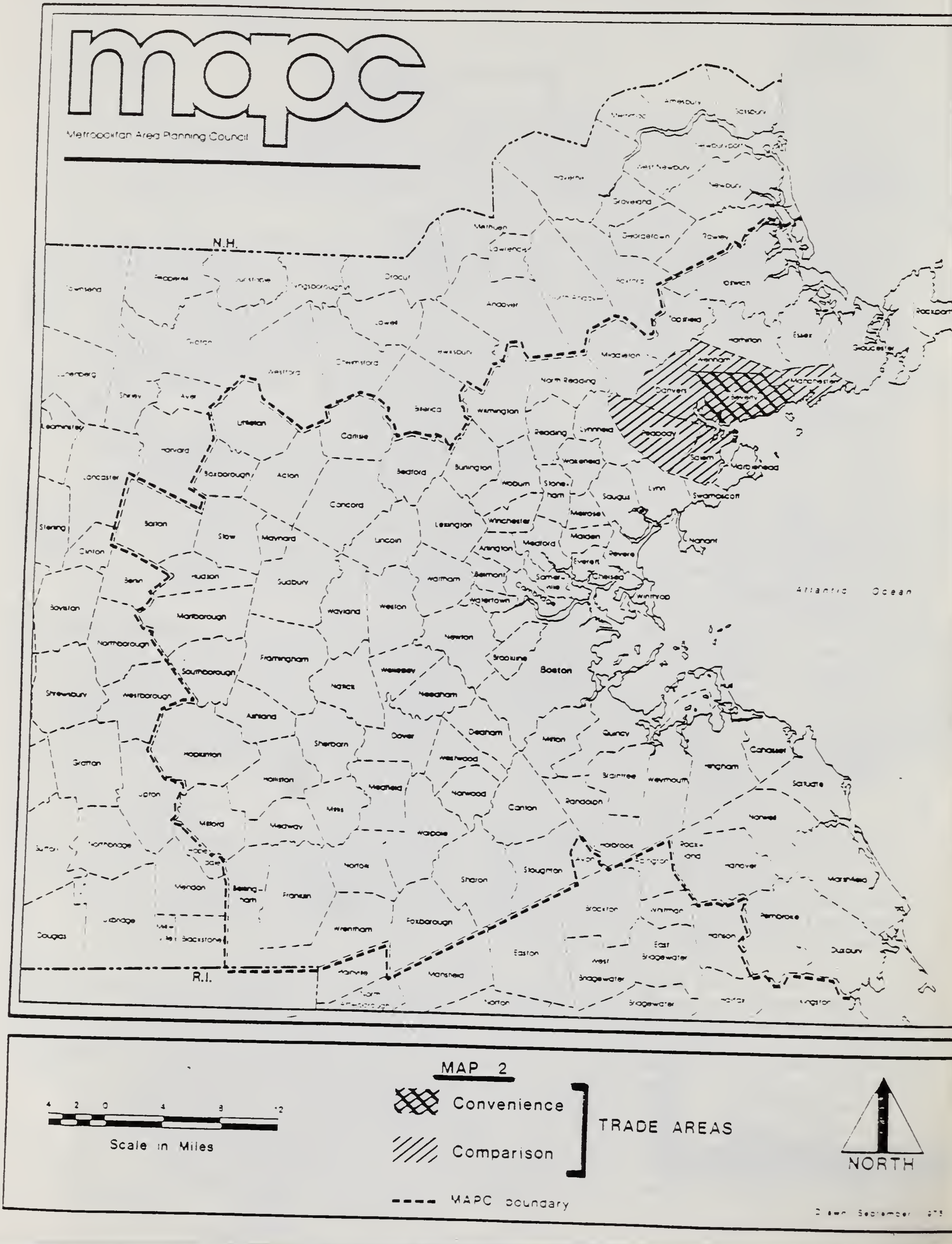
Identifying trade area boundaries requires a thorough assessment of both geographic accessibility and the types of goods and services provided within a downtown. Factors such as population density, closeness to other commercial areas, and transportation access influence the delineation of the area from which businesses will be able to attract the bulk of their customers, i.e. the trade area. Other elements such as retail mix, traffic flow, parking supply, and the image of the downtown as perceived by shoppers determine the commercial strength of a downtown and its ability to attract patrons from a given area.

For purposes of this market analysis, two distinct trade areas have been defined for downtown Beverly--a convenience trade area and a comparison trade area. Typically, goods and services are defined as either convenience or comparison items. Convenience items are goods which tend to be purchased in nearby stores such as food and drugs. Comparison items are goods for which shoppers are willing to travel to find the best buy such as furniture or apparel. The purchase of comparison items is based more on analysis of merchandise price and quality. Because shoppers tend to travel greater distances for these items, comparison goods draw from a wider trade area.

As illustrated in Map 2, downtown Beverly's convenience trade area includes only the City of Beverly. Studies of similar communities have shown a downtown's convenience trade area to be roughly coincident with the community's boundaries. Results of business and shopper surveys in Beverly also indicate that this is a critical area to downtown merchants. Nearly 70 percent of shoppers polled came to the downtown because of its convenience with 75 percent of those polled residing in Beverly. This is clearly the trade area within which downtown Beverly is an effective competitor.

The comparison trade area, also shown on Map 2, covers a much larger geographic area which includes the City of Beverly as well as the adjacent communities of Manchester, Wenham, Danvers, Peabody and Salem. Downtown Beverly's proximity to shopping centers in these communities presents downtown merchants with stiff competition in comparison goods sales. The result is that downtown Beverly captures a proportionately smaller share of comparison trade area sales than convenience sales.

Like most older downtowns in the Boston area, Beverly's retail prominence has been eroded by newer, free-standing shopping centers located off major transportation routes. Downtown Beverly is now most commercially effective as a service and convenience-goods center. Business and shopper surveys indicate that convenience merchandise and services create the greatest customer draw, with 37 percent of shoppers listing banking, 35 percent food, and over 20 percent going to a restaurant/bar as their primary activity downtown. Regional malls and shopping centers offer stiff competition to local centers and have usurped much of the comparison sales in most older downtowns. This trend is reflected in MAPC survey results which indicate that only a small amount of comparison shopping takes place in downtown Beverly, and that most patrons are residents.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Metropolitan Area Planning Council
N.H.
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Atlantic Ocean
Boston
Cambridge
Brookline
Newton
Watertown
Belmont
Arlington
Winchester
Medford
Malden
Everett
Chelsea
Revere
Winthrop
Melrose
Wakefield
Stoneham
Woburn
Lexington
Burlington
Bedford
Concord
Lincoln
Waltham
Weston
Wayland
Sudbury
Maynard
Acton
Carlisle
Billerica
Wilmington
North Reading
Reading
Lynnfield
Saugus
Lynn
Swampscott
Nahant
Marblehead
Salem
Peabody
Danvers
Beverly
Wenham
Manchester
Hamilton
Essex
Gloucester
Rockport
Ipswich
Topsfield
Middleton
Rowley
Georgetown
Groveland
Boxford
Andover
North Andover
Methuen
Lawrence
Haverhill
West Newbury
Newbury
Newburyport
Amesbury
Salisbury
Dracut
Lowell
Tewksbury
Chelmsford
Westford
Tyngsborough
Dunstable
Pepperell
Townsend
Groton
Ayer
Shirley
Lunenberg
Leominster
Harvard
Littleton
Boxborough
Lancaster
Sterling
Clinton
Bolton
Stow
Hudson
Berlin
Boylston
Marlborough
Northborough
Southborough
Westborough
Shrewsbury
Framingham
Natick
Wellesley
Needham
Dedham
Dover
Sherborn
Ashland
Hopkinton
Grafton
Upton
Milford
Medway
Millis
Medfield
Holliston
Westwood
Norwood
Walpole
Norfolk
Franklin
Bellingham
Mendon
Uxbridge
Douglas
Northbridge
Hopedale
Blackstone
Wrentham
Foxborough
Sharon
Canton
Stoughton
Milton
Quincy
Braintree
Weymouth
Randolph
Holbrook
Hingham
Cohasset
Scituate
Norwell
Hanover
Rockland
Marshfield
Pembroke
Hanson
Duxbury
Kingston
Brockton
Whitman
East Bridgewater
West Bridgewater
Bridgewater
Easton
Mansfield
Norton
Plainville
North Attleborough
MAP 2
Convenience
Comparison
TRADE AREAS
MAPC boundary
4 2 0 4 8 12
Scale in Miles
NORTH

Trade Area Characteristics

Population and income characteristics are important to any examination of trade area characteristics. They tend to define a market's limitations and give an indication of an area's economic strength.

As can be seen in Table 1, Beverly's trade areas have experienced similar trends since 1970, which are projected to continue through 1988. Convenience trade area figures represent population and income changes for Beverly, while comparison trade area figures represent changes in the surrounding communities as well. Although both the convenience and comparison trade areas experienced population decline during the 1970-1980 period, this is projected to stabilize between 1980 and 1988. Per capita income levels, however, have continued to rise since 1970 and are projected to continue to do so through 1988. This is reflected in part by employment trends in the Beverly region between 1970 and 1981. During this time, employment in the convenience trade area increased by 54.7 percent and in the comparison trade area by 54.6 percent.[1] Most of this increase took place in the services sector of the economy for both the convenience and comparison trade areas.

---

[1] Employment and Wages: Cities and Towns: 1967-1979, 1980-1981, Massachusetts Division of Employment Security, Occupation/Industry Research Department (1980 & 1982).

TABLE 1
POPULATION and INCOME

	Convenience Trade Area[1]		Comparison Trade Area[2]	
Year	Population	Per Capita Income[3]	Population	Per Capita Income[3]
1970	38,348	9,201	162,135	9,967
1980	37,655	10,137	155,272	10,460
1983	37,682	10,418	155,289	10,579
1988	37,700	10,886	155,300	10,847

1. The Convenience Trade Area is the City of Beverly only.
2. The Comparison Trade Area includes Beverly, Manchester, Wenham, Danvers, Peabody and Salem.
3. All figures are in constant 1983 dollars.

SOURCES: U.S. Department of Commerce, Bureau of the Census, 1981.
U.S. Department of Commerce, Bureau of the Census, 1970 and 1980.
Regional Decline or Revival: An Interim Population Forecast for the Boston Metropolitan Area 1980-2010, Metropolitan Area Planning Council, 1982.
Metropolitan Area Planning Council, 1983.

Retail Trends

According to the U.S. Bureau of the Census, which records business trends by community,[1] retail sales in the city of Beverly were down 4.6 percent or nearly $11.0 million[2] between 1972 and 1977. The number of establishments also decreased by 12.1%.

As is clear from the high percentage of vacancies and the turnover in downtown Beverly, this problem is mirrored in the downtown as well. For the most part, these decreased sales figures reflect the growth of shopping malls that has occurred outside downtown Beverly's convenience trade area but within its comparison trade area. Like so many older downtowns in the Boston region, Beverly faces increased competition from newer, free-standing shopping centers which offer easy access, an abundance of free parking, and the advantages of coordinated merchandising.

Lack of parking, antiquated buildings and vacant storefronts hardly have the appeal of a new regional mall, which is designed for shopper variety and convenience. While downtown Beverly is fortunate to have a broad mix of uses, its commercial district shows clear signs of serious economic decline. In order to compete more successfully within its trade areas, downtown Beverly will have to target its sales more effectively and adopt some of the elements that have characterized the success of regional shopping centers.

---

[1] U.S. Census of Retail Trade, Bureau of the Census, Washington, D.C. (1972 and 1977).

[2] Dollars adjusted for inflation (1983).

COMPETING COMMERCIAL DISTRICTS

Downtown Beverly must compete with numerous other shopping areas located within its trade areas as well as those areas which draw a certain percentage of customers from greater distances. In general, there are three types[1] of commercial areas that compete for a share of consumers' expenditures.

1. Neighborhood centers provide daily living needs or convenience items, such as food, drugs and personal services. These centers are small, serve only their immediate area and generally have as their principal tenant a supermarket or food store.

2. Community centers provide a wider range of goods and services such as comparison items. These centers are, in general, the size of a community central business district and have as their principal tenant a variety or discount department store in addition to a supermarket.

3. Regional centers provide an extensive range of goods and services such as general merchandise, apparel and home furnishings, in addition to services and convenience items. At least one or two major department stores are the principal tenants thereby drawing customers from a large trade area of several communities.

Downtown Beverly is a community shopping center oriented toward providing convenience goods. Although comparison goods are also available, downtown Beverly is faced with increasingly stiff competition from the newer regional centers. Very large regional malls, such as the Liberty Tree Mall and Northshore Shopping Center, draw a substantial portion of comparison shoppers from downtowns such as Beverly. The very size of these malls enable them to offer a wider range of goods and services at various prices. The shopper has more choices than in the older downtown, and can justify longer travel times because more purchases can be made in a single trip with easy access by car.

No commercial area can expect to capture 100 percent of its trade area sales because a significant number of shoppers will always shop elsewhere. As Map 3 and Table 2 indicate, competing commercial districts exist all around downtown Beverly and are able to capture significant portions of both convenience and comparison trade area sales. More than 60 percent of all shoppers surveyed indicate that they shop in Danvers, Salem, Peabody and elsewhere in Beverly for convenience goods not found in the downtown. Forty-six percent of shoppers revealed that shopping malls are the major competition for comparison goods not available in downtown Beverly.

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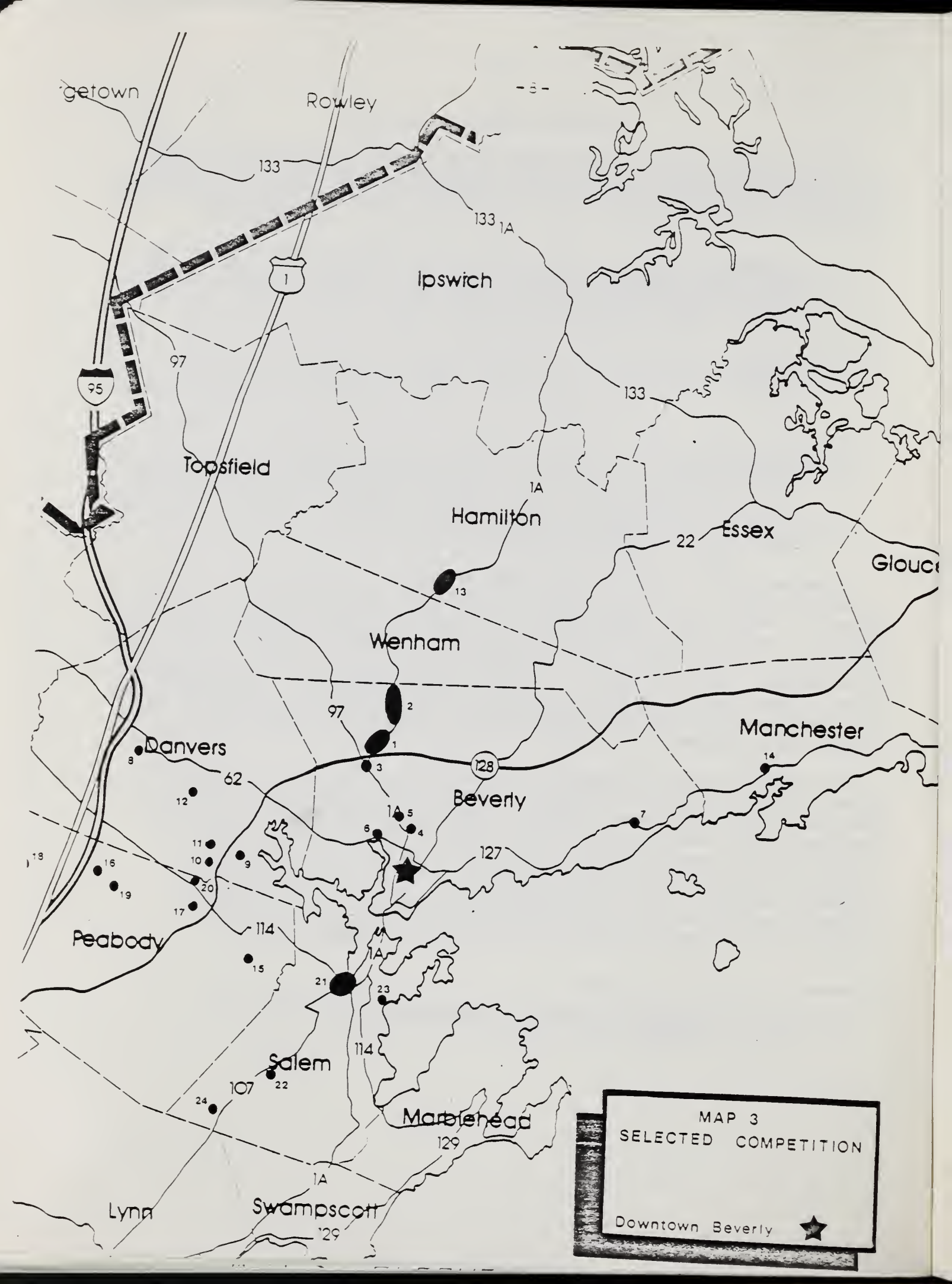
[1] Definitions from Dollars and Cents of Shopping Centers, Urban Land Institute (1981).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Topsfield
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Hamilton
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Essex
Glouc
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Wenham
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Danvers
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Beverly
Manchester
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1A
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7
11
10
9
16
19
20
17
18
127
Peabody
114
15
1A
21
23
114
Salem
22
107
24
Marblehead
129
1A
Lynn
Swampscott
129
MAP 3
SELECTED COMPETITION
Downtown Beverly

Table 2: Selected Downtown Beverly Competition

	Commercial District	Location	Sq. Ft.	Type of Competition	Area Served
1.	Beverly Plaza south to Rte. 128	Beverly	216,000	Comparison	Community
2.	N. Beverly/Enon St. north to Wenham T/L	Beverly	65,000	Convenience	Neighborhood
3.	Intersection of Routes 1A and 97	Beverly	13,000	Convenience	Neighborhood
4.	Intersection of Cabot & Rantoul north	Beverly	30,000	Convenience	Neighborhood
5.	Intersection of Cabot & Charles	Beverly	12,000	Convenience	Neighborhood
6.	Elliott Street Shopping Plaza	Beverly	15,000	Convenience	Neighborhood
7.	Beverly Farms	Beverly	16,500	Convenience	Neighborhood
8.	Danvers Plaza	Danvers	118,000	Conv./Comp.	Community
9.	Endicott Plaza	Danvers	200,000	Comparison	Community
10.	Endicott Square	Danvers	55,000	Comparison	Theme/Specialt
11.	Liberty Tree Mall	Danvers	850,000	Comparison	Regional
12.	Danvers Square	Danvers	206,000[1]	Conv./Comp.	Community
13.	Hamilton Shopping Center & downtown	Hamilton	18,000	Convenience	Neighborhood
14.	Manchester Center	Manchester	54,000	Convenience	Community
15.	Peabody Center	Peabody	202,000[2]	Conv./Comp.	Community
16.	Bourbon Street Plaza	Peabody	48,000	Convenience	Neighborhood
17.	Northshore Shopping Center	Peabody	1,500,000	Comparison	Regional
18.	King's Plaza	Peabody	117,000	Comparison	Neighborhood
19.	Lowe Mart Shopping Center	Peabody	16,100	Convenience	Neighborhood
20.	Primrose Shopping Center	Peabody	30,000	Convenience	Neighborhood
21.	Downtown Salem (incl. East India Square)	Salem	425,000[2]	Comparison	Com/Theme/Spe

22. Hawthorne Square	Salem	162,430	Comparison	Community
23. Pickering Wharf	Salem	100,000	Comparison	Theme/Spe
24. Rich's Shopping Center	Salem	100,000	Conv./Comp.	Community

[1]Represents mainly firstfloor commercial space.

[2]Represents only first-floor commercial space.

Sources: Directory of Shopping Centers in the United States (The East), the National Research Bureau, Inc., Burlington, Iowa (1981).
Metropolitan Area Planning Council (1983).
Danvers Square Commercial Revitalization Analysis, Minot DeBlois & Maddison, Inc., Boston, Mass. (Sept. 1980).
Salem Planning Department, Salem, Mass. (1983).
Downtown Development Program, City of Peabody, Peabody Community Development Department, The Harrington Company, Woodman Associates (1983).

Of the seven competing commercial districts elsewhere in Beverly, six are neighborhood centers which cater specifically to the convenience needs of the Beverly neighborhoods in which they are located. These offer a limited variety of goods and services and typically include a food market and pharmacy as well as a combination of liquor, eating and drinking, barber/beauty shop, bank, or related goods and services.

An even greater variety of goods and services can be found at the shopping centers of neighboring communities as well as Beverly Plaza. Most of the centers that compete with downtown Beverly for retail trade have the same core of businesses, or anchors, which provide essential goods and services. First there is a food market of some kind--a supermarket or a smaller version superette. Complementing the food store is a liquor store. Sometimes liquor, usually only beer and wine, is available at the supermarket or superette. Other retailers providing necessities include a drug store, a variety store, and a hardware store. Sometimes the variety store is absent but the general merchandise associated with it is available at an expanded drug or hardware store.

Among the core of businesses at all centers are a hair salon or two, a small restaurant, and a financial institution. Sometimes there will be both a beauty salon and a barber shop, other times a hair salon catering to both men and women. Always available is a small restaurant--often times it will be a cafe, sandwich shop, or a pizza parlor. One or more financial institutions can be found at each center as well.

Most of the centers competing with downtown Beverly are an expansion of the core mentioned above. Many have duplicates of the core establishments. They also have establishments which specialize in particular items available at the core establishments (i.e. cards, specialty food). There are still others which provide new lines of items that may or may not relate to the necessities mentioned above (i.e. gifts, appliances, clothing, dry cleaning services, realtors, and medical and dental services).

The publication Dollars & Cents of Shopping Centers: 1981, by the Urban Land Institute, was consulted to compare downtown Beverly's size and sales with those of comparable shopping areas. Downtown Beverly, as previously mentioned, is a long-established convenience and, to a lesser degree, comparison oriented business district. Community shopping centers 20 years old and over are the most similar, and therefore were used for comparison.

According to Dollars & Cents, these centers range in size from 110,000 to 305,000 square feet of occupied space (including both retail and office space). Most centers have approximately 185,000 square feet. Retail establishments, banks, and offices occupy some 295,000 square feet of building space in downtown Beverly. Total occupied space in the downtown therefore, falls within the range for similar places but is close to the high end of the range.

The volume of business done by establishments in downtown Beverly, however, is low when compared to typical centers. According to Dollars & Cents, businesses in community centers average $105 per square foot in sales. Some, however, can be as low as $55 and as high as $170. The average of those in downtown Beverly is roughly $50 per square foot, excluding banks, professional[1] and other services.[2]

Beverly's relatively large size and smaller sales figures may be indicative of a number of things. The large number of competitors, in particular the newer shopping malls and Salem's specialty shopping areas, draw a large percentage of the sales volume away from downtown Beverly. The downtown's approximately $14 million in annual sales, however, is not that low compared to surrounding centers reported in Dollars & Cents of Shopping Centers: 1979. The annual sales volume (adjusted for inflation) reported for the neighborhood-oriented Elliott Street Shopping Plaza in Beverly was $4.9 million, for the community-oriented Rich's Shopping Center in Salem -- $13.6 million, and the regionally-oriented Liberty Tree Mall in Danvers -- $135 million. Other reasons for the lower-than-average sales in a downtown the size of Beverly's will be discussed in the following sections of this report.

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[1] "Professional Services" includes establishments providing services to businesses or individuals on a fee or contract basis, such as doctors, lawyers, and finance and insurance brokers.

[2] "Other Services" includes repair shops, recreational facilities and travel agencies.

RETAIL MIX

Retail mix, the number and type of businesses that make up a commercial district, is an important consideration when examining any downtown. One of the attributes of the outlying shopping malls is their ability to offer a broad, complementary mix of goods and services. The advantage of such a mix is that it encourages "one-stop shopping" and attracts shoppers from a larger trade area. The same is true of local commercial districts which exhibit similar varieties of goods and services thereby attracting a more diverse and consequently larger group of patrons from their trade areas.

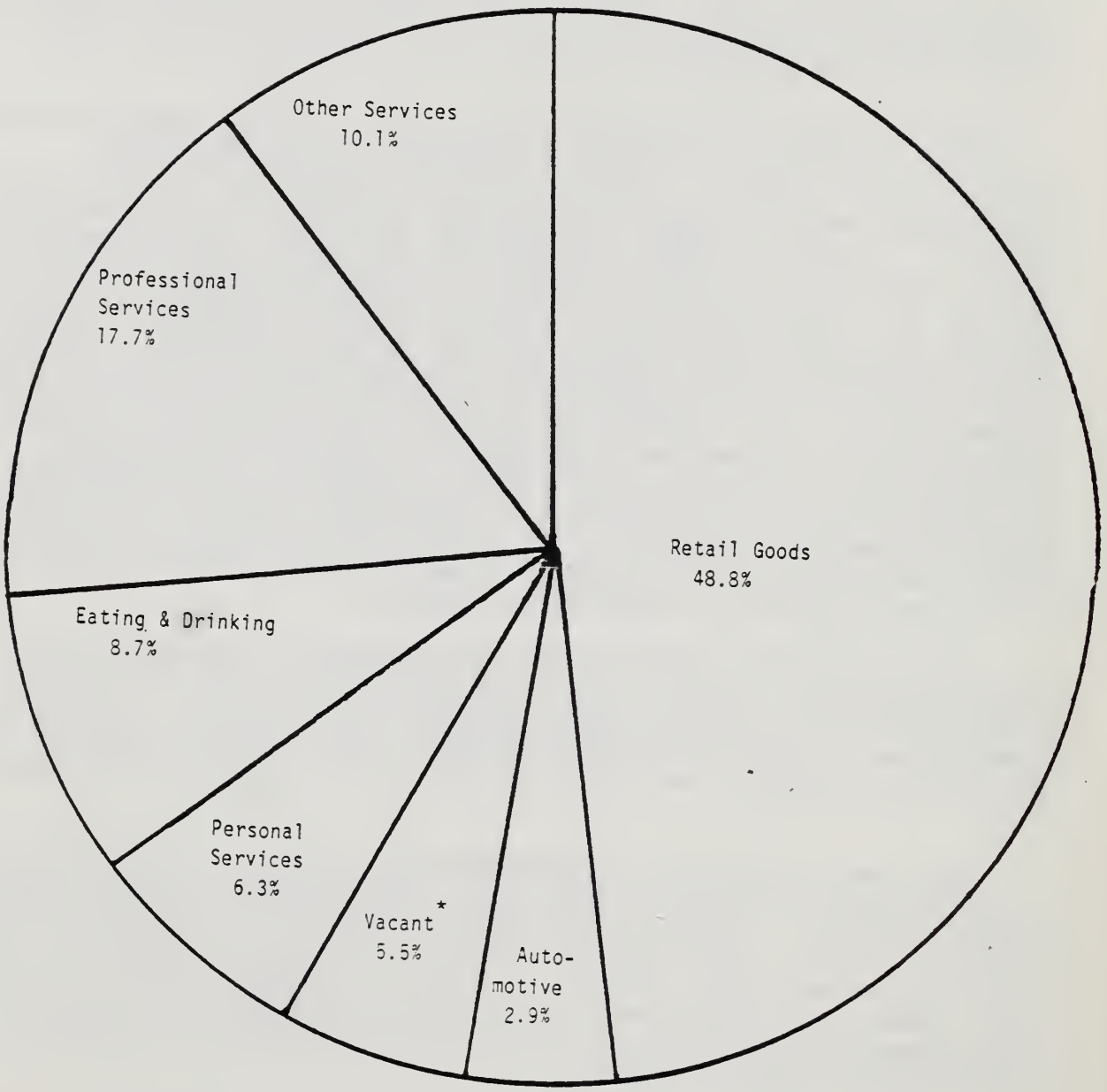
In downtown Beverly, MAPC conducted a survey of businesses to establish a current inventory of commercial space. Over 300,000 square feet was examined to assess the mix of retail goods and services in the downtown. Chart 1 reveals that Beverly has a balanced mix of retail goods (48.8 percent of space) and services (45.7 percent), but also suffers from a significant amount of vacant space (5.5 percent).

Table 3 presents a more detailed analysis of existing commercial space. Statistics in this table reveal that stores that carry comparison goods--including apparel, furniture, and the shopping goods stores of the miscellaneous retail category--occupy about 43 percent of retail space in the downtown. Convenience stores, on the other hand, take about 33 percent of all space. This is not a typical situation for a downtown commercial district. An emphasis on convenience goods is typical of older downtowns, and survey results indicate that these stores draw the largest number of shoppers. Shopper surveys conducted by MAPC indicate that 68 percent of downtown Beverly's customers shop in the downtown because it is convenient. Survey responses further support this inclination by revealing that 72 percent of those shoppers surveyed come to the downtown more than once a week, with 51 percent patronizing the downtown on a daily basis. Comparison shopping does occur in the downtown but on a limited basis. Twenty-eight percent of those polled patronize downtown apparel shops and 5 percent were shopping for hardware. The dollar amounts were variable with 61 percent reporting that they spent $10.00 or less, an indication of convenience shopping.

Downtown Beverly's retailing is characterized by a balanced mix of retail goods and services. Several banks, the post office, personal as well as other professional services lend economic stability to the area. It should be noted, however, that these establishments generate little further commercial activity as they are frequently the only destination of the customers who patronize them.

The primary problem facing downtown Beverly lies in the variety and quality of goods offered. Although a balance of retail stores in favor of comparison goods is unusual, it would not be a negative factor if the comparison trade sales were strong. Both the convenience and comparison categories in the downtown have weaknesses however. In order to provide a better balance of retail goods and to better serve as a convenience center for the majority of its customers, downtown Beverly should strive to increase the number of convenience-oriented businesses.

CHART 1: DOWNTOWN BEVERLY COMMERCIAL MIX



*Vacant Space includes only first-floor retail space.

Table 3: INVENTORY OF COMMERCIAL SPACE

COMMERCIAL CATEGORY	DOWNTOWN SQ. FT.	BEVERLY %
RETAIL GOODS		
Food/Liquor	20,300	6.5
Apparel and Accessories	13,250	4.3
Furniture and Appliances	17,850	5.7
Hardware and Building Materials	16,600	5.3
Miscellaneous Retail[1]	84,100	27.0
SUBTOTAL	152,100	48.8
SERVICES		
Automotive	8,950	2.9
Eating and Drinking	26,950	8.7
Personal Services[2]	19,720	6.3
Professional Services[3]	55,000	17.7
Other Services[4]	31,500	10.1
SUBTOTAL	142,120	45.7
VACANT SPACE[5]	17,050	5.5
TOTAL	311,270	100.0

1. "Miscellaneous Retail" includes retail establishments not classified elsewhere, such as general merchandise, drugs, sporting goods, stationery stores, and jewelers.

2. "Personal Services" includes establishments engaged in providing services for persons or their apparel, such as beauty and barber shops, dry cleaning and laundries.

3. "Professional Services" includes establishments providing services to businesses or individuals on a fee or contract basis, such as doctors, lawyers, and finance and insurance brokers.

4. "Other Services" includes repair shops, recreational facilities and travel agencies.

5. This number indicates only first-floor space in established retail buildings.

SOURCE: Metropolitan Area Planning Council, Boston, MA (1983).

In addition, the downtown has a significant amount of vacant space. If this space was poorly located off of the main streets or within buildings that are not clearly retail stores this would not be as big a problem. The problem is that there are too many vacancies on Cabot and Rantoul Streets, the prime spots for retail use in the downtown. This does not create a favorable impression of the downtown. To complicate the situation, many of the existing businesses in the downtown also suffer from poor locations, physical appearance and design.

To reach a more competitive position, downtown merchants must strengthen the retail mix, diversify their goods and services, and attract additional customers through improved physical design and merchandising techniques.

BUSINESS SURVEY HIGHLIGHTS

In August, MAPC distributed approximately 160 survey forms to retailers located on or near Cabot and Rantoul Streets between Railroad Avenue and Elliott Street, the so-called Central Business District of Beverly. The survey elicited information on retailer characteristics (e.g. number of years in business, number of employees, type of merchandise sold), retailer evaluation of the strengths and weaknesses of the Beverly CBD, and retailer recommendations to address downtown problems and enhance advantages. A total of 114 questionnaires were returned, or about 70 percent of the total businesses in the downtown.

Survey results indicate the general business climate in the downtown has been fairly stable. Many of the retailers have been operating for more than ten years, with 37 percent for over 20 years. Of those polled, 42 percent reported no plans to change either location or their scope of services, although 20 percent reported plans for interior renovations and 15 percent for storefront renovations. Ten percent reported plans to expand their businesses in the downtown. Survey results also indicate that downtown Beverly's businesses range in size from 300 to 30,000 square feet; sales ranged from $10,000 to $1,750,000 a year.

Within the last two years, there have been a number of entrepreneurs who have started new businesses in the downtown. In fact, twenty-six percent of the retailers surveyed have been operating for less than two years. This is a rather high turnover of businesses and, coupled with the significant amount of vacant space in the downtown (5.5 percent), poses a risk to the viability of the downtown as a place to do business. Although only 2 percent of those businesses polled expressed plans to move outside of downtown Beverly, a number of entrepreneurs vocally expressed concerns as to their ability to "make it" in the downtown. Sales trend figures tend to mirror their concerns. Although 51 percent of those surveyed reported sales up by an average of 21 percent, 31 percent reported sales constant, with 19 percent reporting sales down by an average of 21 percent.

A large share of Beverly's retail merchandise is sold to a local clientele. About two-thirds of the customers in the downtown are estimated to reside in Beverly. Of these, businesspeople reported that the average customer is a woman between 20 and 50 years old. The downtown's shallow geographical pull as a retail center is further exemplified when we examine where the other shoppers in the downtown come from. For the most part, these individuals live or work in communities either adjacent or very close to Beverly, such as Salem, Danvers or Manchester.

About 68 percent of those shopping come to the downtown by car according to businesspeople, and just over 14 percent walk. Peak-shopping and business periods occurred on Friday and Saturday with daily activity fairly constant between 10 a.m. and 6 p.m.. Year-round, there was a peak period in the fall with a significant drop in the summer. Businesspeople also reported a range of from 1-50 percent of their customers are North Shore Community College students.

Those businesses polled reported that most competitors are located in Salem, elsewhere in Beverly, and nearby shopping centers including North Shore and Liberty Tree malls. Almost 30 percent listed parking as a problem, while another 23 percent felt the downtown's appearance could be improved. Positive features mentioned by respondents were personal service and friendly atmosphere (17 percent), and the downtown's attractive location near the ocean (22 percent).

When asked for recommendations to improve the downtown, 23 percent of the businesses surveyed listed parking improvements and 22 percent listed storefront renovations. Other suggestions included cleaner streets and sidewalks (11 percent), improving the variety of stores (11 percent) and a coordinated promotional effort by businesses in the downtown (6 percent).

A summary of the business survey follows. Complete results are contained in Appendix 1.

BUSINESS SURVEY RESULTS

Number of Years in Business

Less than 2 years	26%
2-5 years	8%
6-10 years	15%
11-20 years	14%
Over 20 years	37%

Floor Space

Range	300-30,000 s.f.
Average	2,500
Median	1,000

Own/Rent

Own	33%
Rent	67%

Annual Rent

Range	$1,300/-$38,400/yr.
Average	$8,700/yr.
Median	$6,400/yr.
Average rent per square foot	$3.50

Changes Being Considered

Expanding in downtown Beverly	10%
Moving out of downtown Beverly	2%
Changes in goods or services offered	5%
Storefront renovations	15%
Interior renovations	20%
Other	6%
No changes	42%

Annual Sales

Range	$ 10,000-$1,750,000
Average	$390,000
Median	$190,000

Sales Trends

Up (by an average of 20.6%/yr.)	50.7%
Constant	30.6%
Down (by an average of 21%/yr.)	18.7%

Customer Residence

Beverly	65.2%
Manchester	5.1%
Wenham	5.2%
Danvers	5.8%
Salem	6.8%
Peabody	3.5%
Other	8.4%

BUSINESS SURVEY RESULTS (continued)

Busy Days

Monday	15.7%
Tuesday	8.4%
Wednesday	9.5%
Thursday	15.7%
Friday	25.5%
Saturday	22.3%
Sunday	2.9%

Major Problems

Parking	29%
Traffic	7%
Lack of store variety	14%
Appearance	23%
Shopping center competition	14%
Vandalism/security	6%
Other	7%

Positive Characteristics

Personal service/friendly atmosphere	17%
Attractive location	22%
Good traffic flow	5%
Certain stores/variety of stores	7%
College	5%
Convenience/leisurely shopping	7%

Changes Desired

Parking	23%
Storefront renovations	22%
Cleaner streets and sidewalks	11%
Variety of stores	11%
Promotional effort	6%
More responsive city officials	5%

SHOPPER SURVEY HIGHLIGHTS

Further insight into the typical downtown Beverly customer is provided by the shopper survey of this group. To identify the key assets and problems of downtown Beverly, a survey was administered to over 200 shoppers within the project area. Surveys were conducted on a weekday during the fall of 1983. As a counterpart to the business survey, the shopper's survey identified the characteristics and suggestions of people using the downtown. Patrons were asked specific questions about themselves, their use of the downtown, and their spending habits.

The results indicate that downtown Beverly, like most such downtowns, is visited mostly by convenience shoppers. About 37 percent of the respondents came downtown to do their banking while 35 percent came to shop for food. Other high-percentage activities included purchasing cards/gifts and going to a restaurant/bar. In fact, nearly 70 percent of the respondents said that convenience was the major reason they came to downtown Beverly. Fourteen percent responded that they were in the downtown because of services available, and an additional 14 percent said they were there for specific stores.

The results also revealed that shoppers made frequent, short trips to the downtown. Over 80 percent reported coming downtown once a week or more, with just over 50 percent claiming daily trips. About half of those interviewed reported that their average shopping trip was under one hour, and 25 percent remained downtown for 30 minutes or less.

Despite this, the downtown also showed some signs of competing as a comparison-shopping district. About 21 percent of shoppers reported that they were downtown to buy clothing, generally a comparison item, and 39 percent also reported spending over $10 on an average trip.

Beverly residents make up the majority of downtown shoppers (75 percent), with about 25 percent actually living in the downtown. The remainder come from numerous nearby communities including Salem, Gloucester, Hamilton, Peabody and Danvers. Although almost two out of three customers come to the downtown by car, a significant number (37 percent) reported walking to the downtown. The largest age group was 20-34 years old (40 percent), and 61 percent of those responding were female.

Survey results also revealed that downtown Beverly's strongest competitors for convenience shopping are elsewhere in Beverly. Over 30 percent of those surveyed shopped elsewhere in Beverly for convenience items. Other competition for convenience goods is located in the Shopping Malls (28 percent), Danvers and Salem (12 percent each), and Peabody (9 percent).

The results for comparison shopping reflect the influence of shopping malls in surrounding communities with 46 percent of the respondents patronizing these areas. Other retail areas frequented by the downtown shoppers are elsewhere in Beverly (15 percent), and the nearby communities of Peabody (12 percent), Danvers (11 percent) and Salem (10 percent).

Of those shoppers with suggestions for new goods or services, more than 16 percent listed more retail stores in general as most desirable, with 15 percent specifically naming more or better clothing stores, and 12 percent a discount department store or general merchandise store. About 10 percent expressed a desire for another restaurant or additional eating and drinking establishments. A book store, additional food and shoe stores, as well as better music and hardware stores were also listed by respondents. These results indicate a desire by shoppers for additional convenience and comparison shopping opportunities.

Almost 40 percent of those responding named parking as a problem downtown, with lack of store variety (28 percent), downtown appearance (17 percent) and traffic (15 percent) also mentioned. When asked for specific improvements 35 percent called for improvements in the general appearance of the downtown, 27 percent wanted improved parking, 20 percent wanted better store variety, and 7 percent called for traffic improvements. While 31 percent felt that the quality of the downtown had improved in the last three years, 50 percent saw no change and 19 percent reported that things were worse.

BEVERLY SHOPPER SURVEY

Frequency of Trips to Downtown Beverly

Daily	51%
More than once a week	21%
About once a week	15%
About twice a month	5%
About once a month	2%
Less than once a month	6%

Reason for Shopping Downtown

Convenience	68%
Stores	14%
Services	14%
Other	4%

Additional Goods or Services Desired

More retail stores	16.5%
More clothing stores	15.5%
Discount department store	11.7%
More or better restaurants	9.7%
Shoe store	3.9%
Book store	3.9%
Food store	2.9%
Music store	2.9%
Hardware store	1.9%

Amount Spent Per Trip

Under $5	19%
$5-$10	42%
$11-$25	25%
Over $25	14%

Length of Stay Downtown

Under 15 minutes	9%
15-30 minutes	16%
30 minutes-1 hour	26%
1-2 hours	19%
Over 2 hours	30%

Residence of Shopper

Downtown Beverly	24%
Elsewhere in Beverly	51%
Peabody	1%
Salem	6%
Danvers	1%
Other	17%

Where Else Shopped for Convenience Items

Elsewhere in Beverly	31%
Peabody	9%
Salem	12%
Danvers	12%
Shopping Malls	28%
Other	8%

Where Else Shopped for Comparison Items

Elsewhere in Beverly	15%
Salem	10%
Danvers	11%
Peabody	12%
Shopping Malls	46%
Other	6%

Desired Improvements

Appearance	35%
Parking	27%
Store Variety	20%
Traffic	7%

CURRENT MARKET CONDITIONS

A strong retail sector is the key to the economic vitality of a downtown. The success of a retail center depends on its ability to capture a share of the yearly expenditures made by a given trade-area population. So far this analysis has centered on ways in which demographics, geography and location affect a downtown's ability to attract customers, that is, to capture a certain market share. This section examines downtown Beverly's current market condition from an economic perspective.

Through a comprehensive analysis of trade-area goods and services in downtown Beverly, it becomes possible to define both qualitative and quantitative characteristics of the downtown's share of trade-area expenditures, including:

--the types of goods and services purchased;
--the dollars spent on those goods and services; and
--the percentage of overall trade-area expenditures that these purchases represent.

Downtown sales as a percentage of trade-area expenditures mathematically defines the concept of market capture. In order to determine how well the downtown is currently taking advantage of existing market opportunities and to identify where the potentials for increased or decreased capture lie, trade-area expenditures captured by each retail category within the downtown must be carefully reviewed. For purposes of this analysis, goods and services have been categorized according to U.S. Census of Retail Trade business definitions. Downtown Beverly supports ten of these business types, including: Apparel/Accessories, Drugs, Hardware/Building Supplies, Furniture/Appliances, Eating/Drinking, Food, Liquor, Personal Services, General Merchandise and Miscellaneous Retail.

Current market conditions for each of these categories will be examined in this section (see Table 4). It is important to note that capture rates--the percentage of trade-area dollars actually spent in downtown Beverly--have been calculated for either the convenience trade area or the comparison trade area[1], depending on the retail category being discussed. Food/Liquor, Eating/Drinking, and Personal Services are considered to be competing in the convenience trade area, i.e., within the City of Beverly. Comparison trade area goods include Apparel/Accessories, Furniture/Appliances, Hardware/Building Supplies, and Miscellaneous Retail.

For the sake of confidentiality, the following analyses are confined to a discussion of aggregates, although the unique characteristics of individual businesses have been carefully considered.

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[1]See the definition of trade areas, on page 3 of this report.

Table 4: 1983 Trade Area Expenditures

Commercial Category	Convenience T.A. Expenditures	Comparison T.A. Expenditures	Downtown Sales	% of T.A Expendit
Food/Liquor	$ 54,959,951	$ -	$ 2,937,242	5.3%
Eating/Drinking	23,161,693	-	1,372,332	5.9
Personal Services	5,888,566	-	587,081	10.0
Apparel/Accessories	-	54,212,943	1,199,930	2.2
Furniture/Appliances	-	37,784,919	771,120	2.0
Hardware/Bldg. Supplies	-	31,213,089	1,112,200	3.6
Miscellaneous Retail[1]	-	205,349,515	6,085,562	3.0
TOTAL		$412,570,676[2]	$14,065,467	3.4%

[1] "Miscellaneous Retail" includes drugs, general merchandise, and all goods not categorized elsewhere.

[2] Total = Convenience Trade Area Expenditures and Comparison Trade Area Expenditures

SOURCE: Metropolitan Area Planning Council, Boston, MA (1983).

Food/Liquor

Of the more than $54 million available in convenience trade area food/liquor expenditures, downtown Beverly captures about $2,940,000 in sales, or about 5 percent of the total. A capture of ten to fifteen percent is not uncommon in a downtown commercial district.[1] For this analysis, food and liquor have been combined to protect confidentiality.

Food stores in downtown Beverly are comparatively small. As a group, food retailers occupy about 18,000 square feet--about the same size as a single supermarket in newer shopping centers. Though relatively small operations, retailers in this category are characterized by higher sales per square foot and represent some of the downtown's sales leaders.

Given the size of the existing food retailers in downtown Beverly, and the competition from supermarkets outside the downtown, it is easy to see why the current capture of food sales is below average. It is also unlikely that a major supermarket will locate within the downtown. If the buildings being used now by North Shore Community College become available for elderly housing in the near future this would mean new food shoppers for the downtown. The elderly, typically less mobile, represent a captive market, particularly for convenience goods. With the downtown's largest food retailer located in the middle of the downtown, spillover trade (to other businesses) would benefit other businesses in the downtown. Specialty food retailers and supermarkets alike could take advantage of this growing and potentially close-at-hand group.

Eating and Drinking

Eating and drinking establishments represent a unique commercial activity within the context of a central business district. Unlike retail businesses which benefit from their close physical association with one another, restaurants are far more independent. While they can benefit from some of the spill-over generated by other commercial activities, they do not generally create activity in return. A consumer is much more likely to stop for lunch or dinner incidental to other shopping than he is to do shopping incidental to a planned dinner out. This helps to explain the ability of restaurants to stand by themselves outside the boundaries of a major commercial district while individual retail establishments are rarely capable of survival under such conditions. The success of an individual eating or drinking establishment is far less dependent on how that business complements the existing activities in a given center than it is on the quality and attractiveness of the services which it provides. For these reasons it is more difficult to define the potentials for growth or decline in this area. Generally speaking, a new restaurant will succeed or fail based on the individual characteristics of the business rather than on the basis of what the market potentials might indicate.

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[1] The capture rates for comparable downtown shopping districts, referred to throughout this report, are derived from previous MAPC market analyses, and information provided by Minot, DeBlois, and Maddison, a real-estate-investment consulting firm.

In downtown Beverly, eating and drinking establishments currently capture 5.9 percent of the available market. Typically a downtown such as Beverly's should be able to support a 5 to 10 percent share of the overall trade area expenditures in this category. Shopper survey results indicate a dissatisfaction with the current mix of eating and drinking places. Despite the existing eating and drinking places, close to 10 percent of those responding indicated they would like to see more or better restaurants in the downtown.

At present, there are a fairly large number of eating and drinking places in the downtown ranging from fast food spots to more expensive restaurants. While trade area expenditures could likely further support establishments, its benefit to existing commercial activities may be limited. With fast food restaurants to the immediate north and south of downtown, it is more likely that growth will occur through the expansion of some businesses and the replacement of marginal ones. Eating and drinking establishments that replace any existing ones will improve the overall downtown if they offer food and/or drink not currently available, thereby providing more variety and attracting new downtown shoppers. A new elderly housing complex in the downtown could mean increased business for existing restaurants should they target sales to this consumer group.

Personal Services

Total sales for personal services in downtown Beverly are just under $600,000. This represents about 10.0 percent of the $5.9 million available in convenience trade area expenditures. A typical capture ranges from 10 to 15 percent in this category.

Businesses in this retail group are generally small; the average store size in downtown Beverly being 940 square feet. Most of these services, especially beauty and barber shops, are their own destination, so they are not as dependent on location as stores carrying retail goods. The result is that personal services have been able to take advantage of the lower rents found in older town centers and have congregated there, often in locations less desirable to typical retailers.

The 10.0 percent capture rate is typical for a downtown commercial district. This high capture is explained by the downtown's full complement of services. While nearby shopping mall competition limits the possibility of expansion in this area, the replacement of marginal businesses and the possible influx of elderly in the future (if NSCC buildings are converted to elderly housing) should boost sales to some degree in this category. It is important to remember, however, that while such services help stabilize the commercial base, they generate little further shopping. Replacement of weaker business will benefit the downtown most if new establishments provide services not already present or abundant in the downtown.

Apparel and Accessories

Apparel is one retail category in downtown Beverly that provides opportunities for the comparison shopper. As was indicated by the business and shopper surveys, the downtown's primary function is as a convenience center for goods and services. The presence of a few clothing retailers is one indication that the downtown also functions as a comparison shopping center to some extent.

More than $54 million is spent annually on clothing and accessories by consumers in Beverly's comparison trade area. Most of these expenditures are made in the newer shopping centers, large discount department stores and discount clothing stores. With just over 13,000 square feet of retail space, it is not surprising that downtown Beverly captures just over $1 million in sales, accounting for only 2.2 percent of the available comparison trade area expenditures. A downtown typically captures 5 percent of total expenditures.

Shoppers ranked clothing stores very highly as an addition desired in the downtown. Although it is usually very difficult for a downtown to attract major clothing stores given the fact that most new clothing stores prefer and benefit from mall locations, the addition of smaller clothing stores might be achieved. Prime commercial space is available throughout the downtown and a small independent store (3,000 square feet or less) might succeed. With Almy's as an anchor, customers are brought to the downtown on a regular basis and new retailers should be able to benefit from some spillover trade.

Furniture and Appliances

To the average consumer, the purchase of furniture or appliances is a major household investment. Products in this category cost more than other retail goods, and purchases are strongly influenced by quality, price and selection. Because shoppers tend to compare values, furniture and appliance sales do best where there is ample opportunity for comparison--areas such as downtown Boston, regional shopping malls and commercial strips.

Downtown Beverly's furniture stores suffer from their close proximity to many of these kinds of retail areas. The few merchants in this category capture only 2.0 percent of the $37.7 million in total trade area expenditures available. While this capture rate falls well below the expected level of five percent, it represents sales of over $750,000 for downtown Beverly merchants. This volume, given the small number of businesses operating there, is not insignificant and shows that local businessmen have been able to maintain some market share.

In order to capture a larger portion of trade area expenditures, downtown Beverly would have to attract another major furniture or applicance store. Such an addition is unlikely given that competition is strong and is capturing a significant portion of trade area dollars. An appliance store may be a possibility given the lack of such stores in the downtown at the present time.

Hardware/Building Supplies

Hardware and building supplies are difficult to label as strictly convenience or comparison items. Many small hardware supplies are purchased strictly on the basis of convenience, while consumers shop around for the best quality and price of major items. In downtown Beverly most hardware and building supply stores tend to cater to the comparison shopper and service the larger trade area. Business survey results indicate that a good portion of sales are to non-Beverly residents. Capture rates for hardware and building supplies have therefore been calculated on the basis of the comparison trade area.

In a typical downtown, one might expect a capture of about 10 percent. Beverly's capture is a mere 3.6 percent, or $1,112,000 of tne total $31.2 million in annual comparison trade area expenditures available. This $1.1 million in sales made in the downtown, however, is a sizable figure when one considers the small handful of establishments operating there. It is the proximity of other large hardware stores in Beverly and elsewhere which contribute to Beverly's below-average capture in this category.

In addition to more traditional hardware and building supply centers, many large discount stores carry lines of convenience oriented hardware products. Given the number and size of nearby competitors and current retail trends in this category, it is unlikely that downtown Beverly could support an additional hardware or building supply store.

Miscellaneous Retail

Miscellaneous Retail consists of those stores not classified elsewhere such as card/gift shops, florists, and jewelry stores. For purposes of sales confidentiality, two other major retail categories--drugs, and general merchandise--have been grouped under miscellaneous retail for this analysis.

In a typical downtown, one might expect a capture rate of about 5 to 10 percent. Downtown Beverly's capture is a low 3.0 percent, or about $6 million of the total $205 million spent annually on goods in this category. Because these are combined statistics for three distinct types of goods, the 3.0 percent capture is misleading. To provide a more accurate picture, characteristics of each of the three retail goods grouped herein are discussed.

1. Drugs

A typical community shopping district often captures 10-15 percent of the total convenience trade area expenditures in the drug category. Convenience goods do well in older downtowns and local pharmacies are frequently anchor establishments. Downtown Beverly's drugstores capture sales well within the typical range. This high capture rate strongly reflects theconvenience orientation of the downtown and underscores the important role drug stores play in anchoring other downtown activities. Sixteen percent of shoppers polled listed drugstore goods as the product they were shopping for.

All of downtown Beverly's businesses which fall into this retail category show sales volumes at or above average levels. Like food stores, however, pharmacies have been faced with increasingly stiff competition from new community shopping centers. Large discount stores and convenience-oriented "mini-marts" also capture a large share of the health and beauty aids market. Given the competition from elsewhere in Beverly and the number of these businesses in the downtown, no important growth in this category is projected although some "firming" of the market base is possible. The elderly housing potential in the downtown presents a clear opportunity for such "firming" to take place.

2. General Merchandise

This refers to the kind of retail business which provides numerous types of goods and services under a single roof. Included in this category are department stores, discount outlets, catalog showrooms, and five and dime stores. Currently, there is only one general merchandiser in downtown Beverly. Typically, however, most older downtowns have no general merchandiser at all.

For a small downtown, a capture in the general merchandise category of five percent of comparison trade area sales is considered sizable. With only one department store, downtown Beverly's capture rate falls well below the mark. This isn't surprising considering the trend toward large one-story commercial structures in newer centers surrounded by a sea of parking. Yet in light of the competition, which literally surrounds the downtown, Beverly is fortunate to have even one general merchandiser in its downtown.

While growth in this area is not likely to occur, it is important for Beverly merchants to recognize the value of having a department store downtown. Such a store draws substantial numbers of patrons to the downtown and subsequently generates additional shopping. The closing or relocation of this type of store would have serious negative effects on most other downtown retailers, particularly those offering convenience goods and services.

3. Miscellaneous Retail

Establishments such as card/gifts, florists and jewelers are included in the retail mix for this category and have sales over $3.3 million. When trade area expenditures for drugs and general merchandise are discounted, miscellaneous retail sales account for a healthy 6.8 percent of the total comparison trade area expenditures. A downtown typically captures 5-10 percent in this category.

Retailers in this group offer a variety of both convenience and comparison goods, which provides some balance for the downtown's overall retail mix. Some of the businesses, however, are marginal operations located in poorly maintained buildings and/or poorly located stores.

Since store variety is essential to the success of small downtowns, the miscellaneous retail category is important. The downtown is fortunate to have as broad a mix as it does, but especially in convenience goods additional growth and variety in miscellaneous retail stores will further improve the downtown. To be effective, these new establishments must cater to the tastes and needs of local patrons. Retail goods should be targeted to local consumer groups such as students, commuters, or the growing elderly population.

Summary

Like many older commercial districts, downtown Beverly has lost much of its market share. Overall capture is currently below average at 3.4 percent. A more typical overall rate would fall between 5 and 10 percent. Current market conditions indicate that the downtown is suffering in two areas:

- Regional malls and improved highway systems have changed the nature of retailing, leaving older downtowns without the edge of convenience. Downtown Beverly has been affected by the location of these malls within its comparison trade area.

- The downtown is visually and physically separated and in need of a more compact design. This situation, coupled with the high prime vacancy rate, hinders the development of an appealing retail mix. In some categories the small size, limited goods selection, or poor location of businesses further affect the downtown's ability to attract shoppers and capture sales.

To improve its current situation, the downtown must begin to compete more aggressively for convenience trade area sales. A better retail mix, the targeting of sales to particular populations, and the general organization of businesses and merchandising practices will improve the downtown's business climate. Physical improvements to patterns such as parking, storefront design, and pedestrian amenities will further improve the image and attractiveness of the area.

1988 MARKET OUTLOOK

From previous sections of this report, the following factors emerge. These factors will affect the relative performance of downtown Beverly's economy within the projected period.

1. Downtown Beverly competes in two distinct trade areas, convenience and comparison. Both are characterized by population and income growth.

2. Downtown Beverly is a community shopping center capturing a mix of convenience and comparison sales. Strong competition surrounds the downtown for both types of goods, but local merchants are most competitive in the convenience goods area.

3. Downtown Beverly has a balanced mix of goods and services, but contains more comparison-oriented space than convenience retail space. The downtown has fair store variety and a relatively high percentage of vacant storefronts and turnovers among small businesses.

4. Business and shopper surveys indicate that the downtown functions mainly as a convenience shopping area. Major problems identified by these surveys relate to appearance, parking and store variety.

5. North Shore Community College students were represented in shopper surveys and business people acknowledged their contribution to overall sales.

6. As a group, merchants in downtown Beverly capture a below average 3.4 percent of the total trade area expenditures. An average overall market capture ranges from 5 to 10 percent.

The Council projects three possible scenarios for downtown Beverly depending in part on the strength and aggressiveness with which improvements are pursued to generate more commercial activity, thereby enhancing the downtown's competitive position in the region. If efforts continue on the part of business to merchandise goods and services and the City to maintain existing physical conditions, then a Constant Capture will result. The loss of marginal businesses and physical deterioration in the downtown could result in a Decreased Capture. An Increased Capture could occur if downtown businesses aggressively merchandise goods and services, target sales to growing trade area markets, broaden the retail mix and create a more aesthetically interesting shopping environment. Improved traffic circulation, parking accessibility and pedestrian amenities are also critical to future growth. Table 5 shows in dollars and cents the implications of constant, decreased or increased market activity in downtown Beverly as discussed under Condition I, II and III below.

Table 5: Projected Trade Area Expenditures

Condition	Trade Area Expenditures	Downtown Sales	% Capture
Current - 1983	$ 412,570,676	$ 14,065,467	3.4
Projected - 1988			
Condition I Constant Capture	424,733,740	14,440,947	3.4
Condition II Decreased Capture	424,733,740	11,333,052	2.7
Condition III Increased Capture	424,733,740	16,031,602	3.8

SOURCE: Metropolitan Area Planning Council, 1983.
NOTE: All figures are adjusted for inflation.

Chart 2: Summary of Market Potentials

Retail Category	Relative Capture	Growth Potential
Food/Liquor	Low	Possible
Eating/Drinking	Average	Possible
Personal Services	Average	Unlikely
Apparel/Accessories	Low	Possible
Furniture/Appliances	Low	Possible
Hardware/Bldg. Supplies	Low	Unlikely
Drugs	Average	Unlikely
General Merchandise	Low	Unlikely
Miscellaneous Retail	Average	Possible

CONDITION I: CONSTANT CAPTURE

Maintaining the current capture rate will result in a $375,500 increase in sales due to increasing population and income levels. This may seem like growth but, realistically, it is just keeping up. Since current capture in most retail categories is lower than average, this will probably be as unsatisfactory in 1988 as it is today. These additional dollars will not be sufficient to support new stores for the most part. Some marginal businesses may still close.

Increasing competition and potentially damaging current conditions will require more than current practices even to maintain constant capture however. If actions are not taken to stop physical deterioration and improve the retail selection in downtown Beverly, decreased sales are likely. Improvements in retail mix, coordinated business activities and aggressive marketing are necessary to maintain current sales levels and capture increased trade area expenditures. A stronger business association is one key to achieving some of these goals.

Shopper surveys have indicated that changes are needed in the appearance, parking, and store variety of the downtown. All these factors are critical to maintaining the commercial viability of downtown Beverly and require the cooperative efforts of businessmen and municipal officials alike.

CONDITION II: DECREASED CAPTURE

Despite growing income levels and modest population growth, overall capture will decrease if current problems are ignored. Such current problems with vacant space, retail mix, competition, saturation of some retail types and physical conditions will lead to further decreases in sales activity through 1988. As shown in Table 5, a 0.7 percent drop in overall capture, or the loss of $2,732,415 in potential sales for 1988, is possible under this condition. It is important to remember that the current capture of 3.4 percent is well below the average. Any further drop in capture represents serious economic decline and creates a deteriorating image of the downtown. This image will be difficult to change once perceived by potential shoppers or new entrepreneurs.

There are several factors which could lead to such deterioration in downtown Beverly:

- The lack of maintenance and improvements to buildings and public areas in downtown Beverly impedes economic growth. The continued physical deterioration of the downtown will mean fewer sales in 1988.

- Stores that retail similar goods and services within a downtown compete against each other and limit their sales potential. If Beverly merchants do not diversify or expand their goods selection, they can expect decreasing market captures through 1988.

- As noted, many small businesses in older downtowns are dependent on spillover trade. In Beverly, the banks, Almy's and Mall Drug serve as anchors and draw customers to the downtown. The closing or relocation of any of these could force other small retailers out of business and seriously decrease shopping activity in the downtown.

- The lack of a physically and visually compact downtown further reduces the incentive for the shopper to come downtown for a shopping trip. This will increase the lure of the shopping centers and further reduce sales in the downtown.

- Some businesses are presently planning to relocate outside downtown Beverly; others may be forced out of business by decreasing sales. This would further aggravate the problem of highly-visual prime vacancies in the downtown.

The projected drop of $2,732,415 in sales for 1988 results in a loss of approximately 52,000 square feet of retail space and falling sales levels for some businesses. It is expected that marginal operations, newer ones in particular, in the categories of eating and drinking, personal services, food/liquor, furniture and appliances, and miscellaneous retail would be most affected. This does not include any loss of an anchor store or bank in the downtown.

CONDITION III: INCREASED CAPTURE

This is, of course, the optimistic potential market condition projected for 1988 in this analysis. As can be seen in Table 5, this represents an increase in overall capture of 0.4 percent or about $2.0 million in additional sales. Given downtown Beverly's weak 1983 market levels and the nearness of its major competitors, this condition would require more than the maintenance-type techniques discussed under Condition I; this requires the development of new businesses in existing vacancies as well as the replacement of marginal businesses by more successful retailers. This in turn should stimulate sales for existing businesses in downtown Beverly to some extent.

As previously discussed, one of the ways to establish a competitive small market area given increased shopping mall competition is to provide an interesting mix of goods and services. With a first-floor vacancy rate of 5.5 percent and a number of marginal businesses, Beverly should attract merchants to its downtown that would add more variety to its current selection. Businesses that replace currently marginal operations, relocated stores, or existing vacancies should offer goods or services that are either under-represented or not available in the downtown. As noted, shopper survey results indicated strong demand for more clothing stores, general merchandisers, additional restaurants and miscellaneous retail stores.

Realistically, there is limited opportunity for growth in the Apparel and Accessories category. This is an area in which demand is high but, given existing competition, dramatic increases cannot be expected. Any increase in the Apparel capture is likely to occur as a result of new stores replacing vacant or marginal uses and the other businesses increasing their sales from the spinoff generated from the increased selection of goods. To take advantage of high demand, merchants should target sales to growing consumer groups and groups with needs not currently being met.

While there are many eating and drinking places in downtown Beverly, additional sales could be generated here through the replacement of marginal operations. Since results of the shopper survey indicate a demand for more or better restaurants, an additional restaurant has some potential. Unlike convenience stores, restaurants are themselves destinations and can succeed almost anywhere depending on the food and service.

Furniture and Appliances is another category where additional growth is possible through the addition of furniture-related stores such as lighting, household appliances, and radio and television stores.

Personal Services could support growth if marginal uses are replaced by services not already abundant in the downtown. Although downtown Beverly offers a full complement of services, particularly when "Other Services" are considered, such firming of the market can take place. Targeting sales to growing consumer groups (i.e. the mid-rise new condominiums on the waterfront as well as the continued use or re-use of NSCC buildings) will improve the sales of existing businesses which should add strength to the commercial mix.

Food/Liquor is an area where some limited growth could occur. Although a major supermarket is unlikely, another smaller specialty food retailer or a wine and cheese shop would add to the variety in the downtown.

Miscellaneous Retail is the category where the greatest potential exists. As discussed earlier, there is opportunity for an increase in drugstore sales tied to the potential of elderly housing locating in the downtown. A newsstand or tobacconist catering to shoppers' convenience needs could also benefit from such a complex. Other possibilities for growth in this category also exist. As retail space turns over to supplement the existing vacancies, efforts should be made to attract stores that will add variety to the downtown, such as sporting goods, bookstores, gift or hobby shops, and camera shops. Reasonable rent structures in downtown Beverly are ideal for start-up businesses or local craftsmen seeking the visibility a storefront provides. New stores should target sales to the needs of the trade area, and since downtown Beverly has a strong convenience orientation, stores that cater to the convenience shopper will naturally have the best chance of success.

While the replacement of marginal businesses and the development of some new retail establishments is important to growth, the improvement of existing businesses is just as important. Many of the more successful businesses in the downtown prosper by providing good-quality merchandise at reasonable prices and by capitalizing on the kind of personalized service that can be offered in an older downtown. In spite of stiff competition from shopping malls, fostering local support through personal service, competitive pricing and effective promotional schemes are ways to boost sales and profits. Adding new merchandise lines that meet changing buying patterns is also important to existing businesses.

In addition, as discussed under Conditions I and II, physical improvements are also essential to the growth and stability of the downtown. Proper maintenance and improvements to buildings and public areas, and ample parking are key elements in capturing additional trade area dollars.

In summary, a 0.4 percent increase in overall capture for downtown Beverly in 1988 will require improvements on the part of both existing businesses and the City, as well as limited retail expansion in areas that will create a better balance of goods and services. Through efforts to create a more interesting and diverse shopping environment, both commercially and aesthetically, downtown Beverly could anticipate limited economic growth through 1988.

RECOMMENDATIONS

Introduction

Given the problems in downtown Beverly today, retail improvement strategies for the downtown must realize that competing retail centers exist all around and have saturated the market for retail goods in the region. Downtown merchants must work together to market the downtown as a different and unique place to shop; the downtown should not be trying to compete directly with the shopping malls.

Recommendations outlined in this section address the drawbacks and enhance the strengths of the downtown. Physical changes to the layout of the downtown are necessary to provide a sense of place to shoppers. Rantoul Street does not function as an integral part of the CBD. Retailers should be encouraged to locate on Cabot Street instead of sapping strength and vitality from the commercial spine of the city. Automobile-related businesses and home products, to name a few, should be encouraged toward Rantoul Street while efforts to reinforce the retail focus of Cabot Street should be pursued.

The problems and assets of the downtown as compared to newer shopping centers are outlined in the following sections to overcome the negative aspects of the downtown and bolster the positive ones. North Shore Community College is analyzed to determine what can best suit the needs of the downtown when the present use is no longer there. The most important factor in any effort to improve the downtown is joint cooperation between the public and private sectors. The following recommendations are based on this interaction of key actors in the downtown.

Physical Changes

Clustering retail goods merchants on Cabot Street is one way to strengthen downtown Beverly. This will mean relocation of some businesses from their present Rantoul Street location. Concomitantly, businesses not vital to a successful retail core should gradually be shifted out from Cabot to Rantoul.

Concentrating the retail core on Cabot Street is the best way to create a more compact and convenient downtown shopping area. Beverly's role as a shopping area has declined in recent years, in part because the downtown, physically divided by the residential district between Cabot and Rantoul Streets, lacks compactness, and in part because of increased competition from regional shopping malls in Peabody and Danvers.

To improve its competitive position, the downtown needs to emulate the characteristics of a successful shopping center. This does not mean the creation of a mall downtown, as most downtowns are poor substitutes for malls. Nor does it mean the creation of a specialty shopping area as those in Salem or Newburyport. This type of collection of anchorless boutiques tends to succeed only in communities with a strong tourist base. Instead, merchants offering compatible goods, such as apparel and shoes, should be clustered together to capture a larger share of the market. A coordinated approach is also needed to market the downtown as a "place" rather than as a potpourri of individual stores on a main commercial street. Relocation can begin to achieve these objectives.

With the proliferation of outlying commercial centers and changes in retailing, it may be that the downtown will never again regain its prominence as a commercial center; nevertheless, it has the potential to recover some of its former stature as the focus of activity in the community. The downtown should not be trying to compete directly with shopping centers but rather to differentiate from them to secure a special, retail niche within its trade areas. Arts activities in the downtown, such as Sandy's Jazz Revival and Le Grand David, should be promoted as they complement existing uses downtown.

Downtown vs. Shopping Malls

Downtown Beverly shoppers have access to and patronize nearby shopping centers. There are certain characteristics which draw these people to shopping malls and certain features which attract them to the downtown.

There are a number of problems in the downtown, especially when compared to free-standing shopping centers. Traveling to shop is the first obstacle. It may be physically farther to the shopping centers than to the downtown, but their location off a limited access highway makes the trip less of a burden than fighting the downtown's perceived local traffic. About 15 percent of Beverly shoppers and 7 percent of Beverly retailers felt that traffic movement within the downtown area was a problem.

Once arriving in the downtown, a shopper is confronted with parking problems. The meters involve some cost and represent an inconvenience. It becomes necessary to "feed the meter" to avoid the danger of getting a ticket on a shopping trip.

The number and location of parking spaces is a problem in downtown Beverly. Thirty-eight percent of downtown shoppers felt parking was a problem. Some shoppers don't take the time to become aware of municipal lots, or the lots are viewed as an inconvenience.

Parking at shopping malls is free. There are neither meters nor tickets to worry about, and a shopper can always find a parking space. These are the reasons why, when people want to go on a shopping trip, they go to a shopping mall. In comparison, the parking situation in the downtown is an important reason for doing only one-item shopping in the downtown.

Once having secured parking, the shopper is confronted by other less-than-desirable characteristics of the downtown. The overall appearance is unattractive. Old stores with unattractive facades, signs and/or window displays give the downtown a worn look, in sharp contrast to the newer, sharper look of the shopping centers. The streetscape quality is also poor. Seventeen percent of Beverly shoppers felt that the appearance of the downtown was a major problem while 35 percent called for improvements in the overall appearance of the downtown as a way to improve it.

The success of specialty shopping, such as that offered in Salem is a reflection of shoppers' inclination to go to retail establishments as recreation and not just with direct purchases in mind. Mall developers have included such recreational amenities with these shoppers in mind. Patronizing shopping centers is resultantly viewed as being easier, safer and more fun. There is more variety "under one roof" and it is perceived as being nicer because it caters to the shopper.

Positive aspects of the downtown

Despite these drawbacks, older downtowns such as Beverly's are still important retail centers. Downtown Beverly is surrounded by a number of shopping areas; major malls in Danvers and Peabody, Salem's specialty shopping area, about a dozen suburban shopping centers as well as the downtowns of surrounding communities. Notwithstanding such stiff competition, downtown Beverly shows a respectable retail performance. There are certain features which draw customers to the downtown and which Beverly should try to capitalize on, including:

- o Convenience - Downtown Beverly serves a local market--residents of Beverly and nearby communities. These "locals" should be induced to support their own.

- o Shoppers come to this downtown for a retail experience not available at shopping malls. The smaller scale, longer tenure, and owner involvement characterizing the downtown should be marketed as they relate to personal service; customers are known by name and the salespeople are friendly and knowledgeable.

- o The downtown should have the advantage of superior product quality and merchandising as it relates to the taste, display, and range of goods found in some of the better, specialized retail establishments.

- o Loyalty - Older downtowns such as Beverly often rely heavily on shopper loyalty established over many years. As younger people move into Beverly, however, their loyalty will not be as strong toward the downtown, and a built-in bias toward shopping malls will increase the competitive edge of these malls if steps are not taken to instill a sense of loyalty to the downtown among these people.

- o Government and institutional uses - The downtown has a broad mix of uses which retailers should target and draw their market from.

Negative aspects of the downtown

Parking in downtown Beverly is the prime annoyance of shopping there. A previous study of parking in the downtown (Downtown Revitalization Plan, 1979) has indicated that the downtown has a small deficiency of parking spaces for its retail size. Parking problems can begin to be alleviated, however, by better utilization of existing spaces such as:

- o Prime parking spots on Cabot Street-merchants and workers should abstain from taking the most convenient parking for their own use.

- Off-street parking lots - merchants and workers should park here, preferably furthest back from the stores; better information concerning their location should be provided (signs, flyers, maps); meters should be removed from these lots to make them a better buy to shoppers.

The general appearance of the downtown needs improvement. This can take the form of:

- Retailers and/or the City providing low-cost amenities in the downtown (i.e., benches, planters, waste receptacles, bicycle racks).

- More uniform store facade-sign treatment.

- Cleaning the streets and sidewalks of litter and upgrading them where necessary.

The high vacancy rate (5.5 percent) in the downtown coupled with the rapid turnover of businesses in the downtown is a dangerous sign, giving shoppers an image of a decaying business district. Too many of these vacancies are in the highly visible prime spots along Cabot Street. The rapid turnover of businesses gives the impression that the downtown is in a constant state of flux, never getting the opportunity to function as a "place". Commercial buildings, for the most part consisting of CBD retail establishments, define Beverly's downtown. A thriving CBD creates a positive image and a sense of place, a deteriorating image has a detrimental effect. Encouraging businesses to relocate in these prime spots will help provide the CBD with a positive image and make shopping more convenient for patrons of the downtown.

Marketing the downtown

Shoppers come to downtown Beverly primarily because of its convenience. This should be emphasized through a marketing campaign. Included in this should be the constant reinforcement of the downtown's superior service, products and merchandising by:

- Expanding the downtown's retail line to include more clothing stores, a quality restaurant, an appliance store, more specialty retail stores (e.g., a bookstore, craft shop), etc.

- Merchandising with a theme, such as getting the retailers to display, advertise and promote goods with a nautical theme.

- Providing quality, convenience and amenities ranging from better eating facilities to special events such as street fairs.

There are a number of non-retail uses (e.g., churches, YMCA) occupying prime retail space without generating spillover trade on Cabot Street. In addition, the Post Office is not located on Cabot Street thereby resulting in a considerable loss of walk-in trade. A daytime population is available, however, with the City Hall and government activities serving as a draw and office workers constituting the market. This group must be targeted as they represent a readily available market for merchants in the downtown.

The aim here is not to have the downtown compete directly with the shopping malls, a losing battle from the start considering the scale, controlled environment, and entertainment value of the malls. Since the malls have a corner on the comparison goods market, the downtown should differentiate to secure a special retail niche in the area. In short, the merchants should go after the local, convenient, quality goods-merchandising, retail role of the downtown.

Other aspects

Numerous retailers surveyed felt that city officials were not always sensitive to their needs and did not do enough to further their interests. While such dissension is common, actions should be taken to demonstrate the city's concern and commitment to the downtown (e.g., by appointing a city official to act as an ombudsman for retailers).

Merchants must also do their part. A retailers organization should be supported. The Chamber of Commerce may be able to help and local merchants should be encouraged to join and take an active part. Promoting the downtown should emphasize coordinated retailing, cooperative advertising and special events. Merchants could develop cross-promotions by sharing props, creating eye-catching window displays and changing them often (8-10 weeks), and developing cooperative research questionnaires for in-house surveys.

The retailers organization should push for collective merchant support for downtown improvements, as well as centralized management and marketing. Older downtowns are characterized by multiple ownership; many stores have their own ways of attracting customers. Such individuality adds to a retail area's uniqueness but puts a downtown at a disadvantage when compared to a mall's coordinated advertising and marketing arrangement. Because downtowns developed in a piecemeal fashion, a coordinated management or marketing system did not develop. This historical fact does not mean that these areas cannot develop such activities on an ad hoc basis.

North Shore Community College

North Shore Community College has always been and continues to be labeled temporary in its downtown Beverly location. If the college remains in the downtown for the foreseeable future (through 1988 appears likely), the merchants should take more advantage of this under-tapped market. For 1982, enrollment was approximately 2500 full-time day students during the regular school year with an additional 6000 students in continuing education. Enrollment for the summer of 1983 was approximately 4000 students. The residences of students during the 1983 Spring semester were approximately as follows:

Beverly	15%	Gloucester	7%
Danvers	7%	Lynn	13%
Manchester	2%	Hamilton	2%
Peabody	9%	Ipswich	3%
Salem	8%	Saugus	1%
Wenham	1%	All Others	29%
Beverly Region	42%	Outside The Region	58%

The Lynn satellite campus, under construction now, will have 1200 full-time day students. There are presently about 500 students at the temporary campus. Companies having tuition reimbursement programs at NSCC include General Electric in Lynn, GTE and Analogic in Danvers, and USM and Ventron in Beverly. The new location of NSCC to Norwood Pond off Route 128 had a tentative opening date of Fall 1986 after a 30-month construction period. Problems with the traffic analysis and environmental concerns at the new location have postponed groundbreaking which was supposed to occur in the fall of 1983.

Given the fact that the College will be in the downtown for the near future at least, and the close proximity of Endicott College represents a stable college-age population, downtown merchants should target a portion of their sales to this daytime population. Ten percent of the shoppers polled listed attending NSCC as their primary reason for coming to downtown Beverly. Results of the business survey revealed an average of 10 percent and a range of 1-50 percent of customers are NSCC students. More merchants should provide student discounts to go along with special promotions, allow special charge accounts, and/or organize "College Days" in the spring and fall.

For downtown merchants, the convenience-oriented businesses stand to capture a larger share of this market. As commuters, NSCC students are more mobile and can do their comparison shopping wherever and whenever they want. They need an incentive to stay in the downtown and get used to patronizing local merchants. Accepting the college and students as part of the downtown market is the first step towards improving the capture rate from this sizable population. Although parking remains a problem because of the College, alienating the students and their resources makes a bad situation worse. Efforts must be continued to improve the parking situation and cope with the problems associated with a college in the downtown, making it mutually beneficial to students and merchants alike.

Downtown Without NSCC

When the College moves out of the downtown, there will be the question of what to do with the available space to best serve the needs of the downtown. According to Spaulding and Slye's January, 1984 Office Market Survey, there is a 12 percent vacancy rate for first-class offices in the suburbs surrounding Boston. This includes space in 2 buildings in Danvers and 4 buildings in Peabody. These will tend to fill up before those buildings in Beverly or even Salem. There is no first-class office space in Beverly. Parking and access are two big problems in downtown Beverly which will reinforce this trend. Developers are concentrating on sites in the high-demand areas along Route 128. With an office building going up on Cabot Street and another on Rantoul Street north of Elliott Street, it seems unlikely that the downtown could market the space given the vacancies in the downtown at the present time.

Housing, particularly elderly, is another alternative for the space. The elderly represent a captive market in that they are not as mobile as college students or younger age groups. They also tend to exhibit a higher level of shopper loyalty, something needed in most downtowns. It is common sense to locate housing for the elderly as close to services as possible. Downtown Beverly would be an ideal choice for such housing with the merchants tending to benefit from such anchors as Almy's and Mall Drug. Spillover trade would occur from the central location of these two anchors. Almost 20 percent of shoppers surveyed were over 65 years of age. This use would resolve a lot of the parking problems in the downtown and create a sizable market, particularly for convenience goods.

Another alternative is specialized retailing or other commercial activity. Given the rather high vacancy rate in the downtown this appears unlikely unless a sizable activity expresses an interest in the downtown. Downtown Beverly lacks anchors for such redevelopment. Salem had the Courts and Registry of Deeds for Essex County as well as specialty shops to serve as anchors for redevelopment. Anchorless specialty shops and food establishments tend to succeed only in communities with a strong tourist base.

Another institutional user could move into the buildings with very little rehabilitation or major structural changes. The buildings may be able to accommodate several of these groups including a community center, day care center and an education cooperative which could serve a number of towns by conducting pre-school and special education programs. A theater group or crafts guild as well as administration offices are other possibilities.

Conclusion

Cooperative action is necessary from both the public and private sectors to improve downtown Beverly. The City should examine more ways to encourage off-Cabot parking and in general enforce time limits in the downtown. Assistance should be provided for small-scale downtown improvements such as adding signs and trash receptacles, as well as larger scale financing of business relocation efforts. A facade improvement loan program could be initiated with private-public financing (e.g., combine local bank participation and federal funds); reduced interest rate loans, small grants, and facade design and construction specification-inspection services could be made available.

Downtown retailers should be educated to curb Cabot Street parking abuses. The retailers organization should be supported and given such tasks as promoting the retail attributes of the downtown (e.g., loyalty, convenience, quality), coordinating special events, cooperative marketing, effecting market-related studies, acting as a liaison with city government agencies, searching for public and private financial sources, and working to encourage merchant support for downtown improvements needing their investment. In short, the downtown must adopt those characteristics of shopping centers which will improve its competitiveness in the region and at the same time work to improve and promote its unique retail features.

APPENDIX 1

BUSINESS SURVEY RESULTS

Business Types/Percentage of Total Responses

Food/Liquor	12.3%
Apparel/Accessories	7.0%
Furniture/Appliances	7.0%
Hardware/Building Supply	7.0%
Miscellaneous Retail[1]	21.1%
Automotive	2.6%
Eating and Drinking	12.3%
Personal Services[2]	8.8%
Professional Services[3]	10.5%
Other Services[4]	11.4%
Total Responses	100.0%

Business Affiliation

Independent	89%
Regional	3%
Local Chain	5%
National Chain	3%

Hours of Operation

9 a.m.-5 p.m. Mon-Fri	61%
Variable hours Mon-Fri	27%
All day Saturday	73%
Half-day Saturday	12%
Open on Sunday	35%
1 evening per week	10%
More than 1 evening per week	27%
Variable hours, part of Mon-Fri	13%

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1. Includes drugs, general merchandise, stationery stores, florists, jewelers, and others not classified elsewhere.

2. Includes beauty and barber shops, dry cleaning and laundry.

3. Includes doctors, lawyers, and finance and insurance brokers.

4. Includes services not elsewhere classified, such as repair shops, recreational facilities, and travel agencies.

Number of Years in Business

Less than 2 years	26%
2-5 years	8%
6-10 years	15%
11-20 years	14%
Over 20 years	37%

Floor Space

Range	300-30,000 square feet
Average	2500
Median	1000

Portion of Floor Space Used for Sales/Service

Range	10-100%
Average	74%
Median	80%

Own/Rent

Own	33%
Rent	67%

Annual Rent

Range	$I300/-$38,400/yr.
Average	$8700/yr.
Median	$6400/yr.
Average rent per square foot	$3.50

Changes Being Considered

Expanding in downtown Beverly	10%
Moving out of downtown Beverly	2%
Changes in goods or services offered	5%
Storefront renovations	15%
Interior renovations	20%
Other	6%
No Changes	42%

Annual Sales

Range	$10,000-$1,750,000
Average	$390,000
Median	$190,000

Sales Trends

Up (by an average of 20.6%/yr.)	50.7%
Constant	30.6%
Down (by an average of 21%/yr.)	18.7%

Customer Residence

Beverly	65.2%
Manchester	5.1%
Wenham	5.2%
Danvers	5.8%
Salem	6.8%
Peabody	3.5%
Other	8.4%

Customer Sex

Male	46.1%
Female	53.9%

Customer Age

Child	5.7%
13-19 years	8.3%
20-35 years	30.9%
36-50 years	28.2%
51-65 years	20.0%
Over 65 years	6.9%

Transportation Mode

Walk	14.3%
Car	68.1%
Bus	0.7%
Train	0.8%
Bicycle	1.2%
Taxi	1.0%
Don't Know	13.9%

Customers Who Work Downtown

Range	1-90%
Average	24%
Median	15%

Customers Who are North Shore Community College Students

Range	1-50%
Average	9.6%
Median	5%

Busy Season

Fall	37.1%
Winter	23.1%
Spring	16.7%
Summer	23.1%

Busy Days

Monday	15.7%
Tuesday	8.4%
Wednesday	9.5%
Thursday	15.7%
Friday	25.5%
Saturday	22.3%
Sunday	2.9%

Busy Times

7-10 a.m.	12.8%
10-12 noon	22.7%
12-2 p.m.	20.4%
2-4 p.m.	17.4%
4-6 p.m.	17.4%
6-10 p.m.	9.3%

Competition

Elsewhere in Beverly	18%
Salem	23%
Danvers	23%
Peabody	16%
Boston	6%
Other	14%

Number of Employees

	Full-Time	Part-Time	Working at one time
Range	1-75	1-37	1-80
Average	6	4	5
Median	3	2	2

Employees Who Drive and Park in Area

Range	1-45
Average	6
Median	3

Employee Parking

On Cabot Street	8%
On Rantoul Street	7%
On side streets	25%
Private areas	30%
Municipal lots	6%
Lot between Bow & Federal	11%
Lot between Federal & Pond	4%
Lot between Pond & Judson	7%
Lot between Franklin & Washington	1%
Depot lot	1%

Employee Parking Spaces

Yes	42%
No	58%

Number of Employee Parking Spaces

Range	1-30
Average	6
Median	4

Number of Deliveries

	Daily	Weekly
Range	1-15	1-80
Average	3	10
Median	2	5

Time of Deliveries

Early AM	22%
Late AM	45%
Early PM	29%
Late PM	4%

Location of Deliveries

On-Street	67%
Off-Street	33%

Major Problems

Parking	29%
Traffic	7%
Appearance	23%
Shopping Ctr Competition	14%
Lack of Store Variety	14%
Vandalism/Security	6%
Other	7%

Positive Characteristics

Personal Service/Friendly Atmosphere	17%
Attractive Location	22%
Certain Stores/Variety of Stores	7%
Convenience/Leisurely Shopping	7%
Good Traffic Flow	5%
College	5%
Great Place To Live/Small	6%
Main Banks	3%
New Renovations	3%
Established Businesses	3%
Adequate Parking	3%
Variety of Architecture	3%
Public Transportation	3%
Other (churches, population characteristics)	13%

Changes Desired

Parking	23%
Storefront Renovations	22%
Cleaner Streets and Sidewalks	11%
Variety of Stores	11%
Promotional Effort	6%
More Responsive City Officials	5%
Develop Unique Character to Downtown	3%
Lower rents	3%
Benches, trees, etc.	2%
Mini-Mall	1%
Better Restaurants	1%
Banks Open Saturdays	1%
More Sale Days	1%
More Stores Open Evenings	1%
Other (city improvements)	9%

APPENDIX 2

SHOPPER SURVEY RESULTS

Frequency of Trips to Downtown Beverly

Daily	51%
More than once a week	21%
About once a week	15%
About twice a month	5%
About once a month	2%
Less than once a month	6%

Reason for Coming to Downtown Beverly

To shop	59%
To work	31%
To attend North Shore Community College	10%
For a professional service	54%
For a government service	34%

Products or Services Shopped For

Food	35%
Clothing	21%
Shoes	7%
Card/Gifts	22%
Drugs	16%
Sporting Goods	1%
Tobacco Products	7%
Furniture	2%
Office Supplies	5%
Hardware	5%
Liquor	5%
News/Magazine	16%
Garden/Florist	2%
Beauty/Barber	7%
Professional Service	5%
Banking	37%
Restaurant/Bar	22%
Other	12%

Reason for Shopping Downtown

Convenience	68%
Stores	14%
Services	14%
Other	4%

Additional Goods or Services Desired

More retail stores	16.5%
More clothing stores	15.5%
Discount department store	11.7%
More or better restaurants	9.7%
Shoe store	3.9%
Book store	3.9%
Food store	2.9%
Music store	2.9%
Hardware store	1.9%
Gift/Craft shop	2.9%
More professional services	2.9%
Billiard Hall	1.9%
Bingo Hall	1.0%
Fitness Center	1.0%
Rock and Roll Bar	1.0%
Other (public services, parking, appearance)	20.4%

Amount Spent Per Trip

Under $5	19%
$5-$10	42%
$11-$25	25%
Over $25	14%

Transportation to the Downtown

Walk	37%
Car	59%
Bus	3%
Bicycle	1%

Parking Decision

Cabot Street	26%
Rantoul Street	9%
Side Street	17%
Lot between Bow and Federal	5%
Lot between Federal and Pond	10%
Lot between Pond and Judson	4%
Lot between Franklin and Washington	2%
Municipal parking lot	9%
Other off-street parking	18%

Length of Stay Downtown

Under 15 minutes	9%
15-30 minutes	16%
30 minutes-1 hour	26%
1-2 hours	19%
Over 2 hours	30%

Residence of Shopper

Downtown Beverly	24%
Elsewhere in Beverly	51%
Peabody	1%
Salem	6%
Danvers	1%
Other	17%

Where Else Shopped for Convenience Items

Elsewhere in Beverly	31%
Peabody	9%
Salem	12%
Danvers	12%
Shopping Malls	28%
Other	8%

Where Else Shopped for Comparison Items

Elsewhere in Beverly	15%
Salem	10%
Danvers	11%
Peabody	12%
Shopping Malls	46%
Boston	3%
Other	3%

Major Problems in Downtown Beverly

Parking	38%
Traffic	15%
Downtown Appearance	17%
Store Variety	28%
Other	2%

Change in Quality

Better	31%
No Change	50%
Worse	19%

Desired Improvements

Appearance	35%
Parking	27%
Store Variety	20%
Traffic	7%
North Shore Community College out of Downtown	3%
More cultural activities	2%
Lower prices	2%
More responsible public officials	2%
Longer store hours/More advertising	2%

Shopper Age

Child	0%
Teenager	2%
20-34	40%
35-49	22%
50-65	17%
Over 65	19%

Shopper Sex

Male	39%
Female	61%